

REPORT ON THE  
ACTUARIAL VALUATION  
OF THE VERMONT MUNICIPAL EMPLOYEES'  
RETIREMENT SYSTEM  
PREPARED AS OF JULY 1, 2004

DECEMBER, 2004



December 14, 2004

Board of Trustees  
Vermont Municipal Employees' Retirement System  
Montpelier, Vermont 05633

Dear Board Members:

Section 5062, of Title 24, Chapter 125, Vermont Statutes Annotated, relating to the Vermont Municipal Employees' Retirement System, provides in part that the actuary shall make annual valuations of the System.

The actuarial valuation of the System, prepared as of July 1, 2004, has now been completed and the results are presented in this report, together with our recommendations with regard to contributions.

The Table of Contents, which immediately follows, outlines the material contained in this report.

Respectfully submitted,

A handwritten signature in black ink that reads "David Driscoll".

David L. Driscoll, F.S.A., E.A.  
Principal and Consulting Actuary

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REPORT ON THE ACTUARIAL VALUATION OF THE  
VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM  
PREPARED AS OF JULY 1, 2004

SECTION I - SUMMARY OF PRINCIPAL RESULTS

1. For convenience of reference, the principal results of the July 1, 2004, valuation are summarized below:

Item	Group A	Group B	Group C	Group D	TOTAL
Active members					
Vested	1,090	1,271	214	15	2,590
Not vested	1,501	1,305	194	43	3,043
Total	2,591	2,576	408	58	5,633
Compensation in FY 2004	\$47,542,693	\$61,945,118	\$14,649,260	\$1,794,943	\$125,932,014
Average age	46.35	46.47	46.04	38.98	46.31
Average service	6.03	6.46	5.55	2.59	6.16
Average FY 2004 compensation	\$18,349	\$24,047	\$35,905	\$30,947	\$22,356
Retired members and beneficiaries					
Number	532	485	82	0	1,099
Annual benefits	\$1,798,285	\$3,077,096	\$717,492	0	\$5,592,873
Terminated vested members	126	80	4	0	210
Inactive members	1,410	970	52	6	2,438
Assets for valuation purposes	\$71,441,045	\$124,112,153	\$35,988,683	\$1,347,678	\$232,889,559
Unfunded accrued liability (UAL)	(\$5,102,152)	(\$90,608)	(\$2,352,863)	(\$252,710)	(\$7,798,333)
Employer normal contribution rate	2.00%	3.38%	5.58%	7.23%	3.18%
Current funding policy rate	4.00%	5.00%	6.00%	9.00%	4.81%

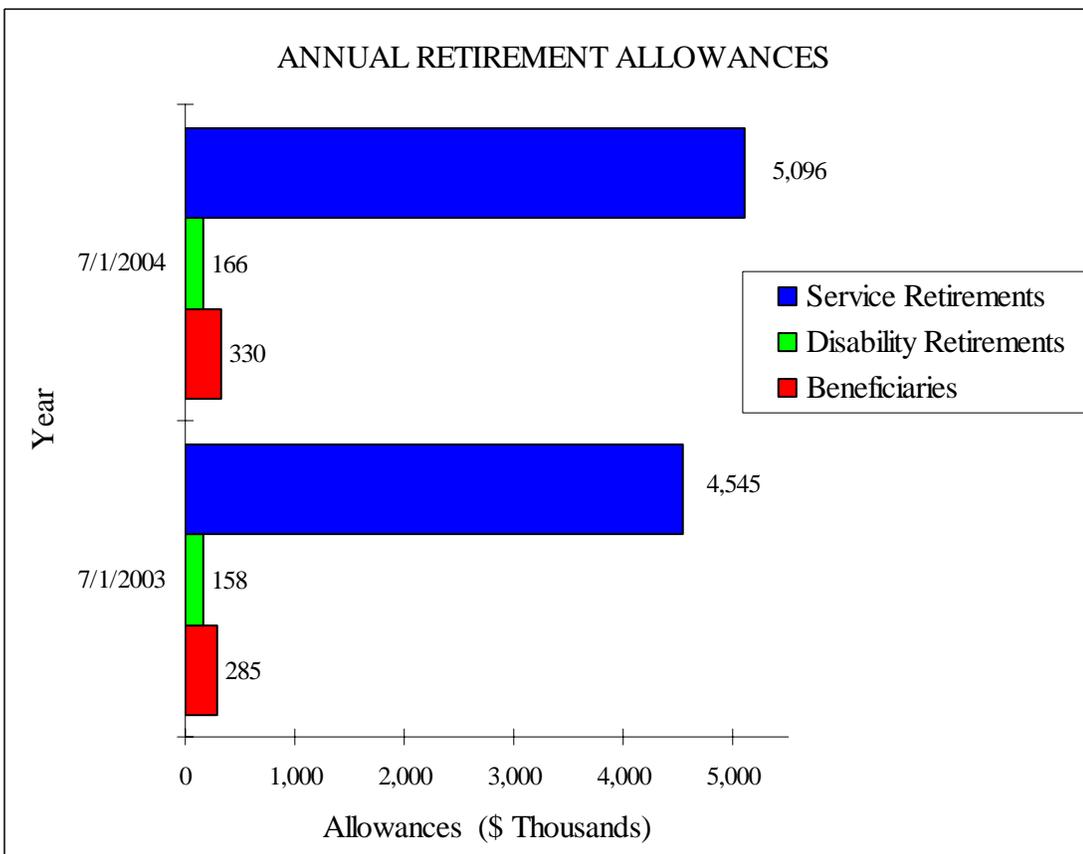
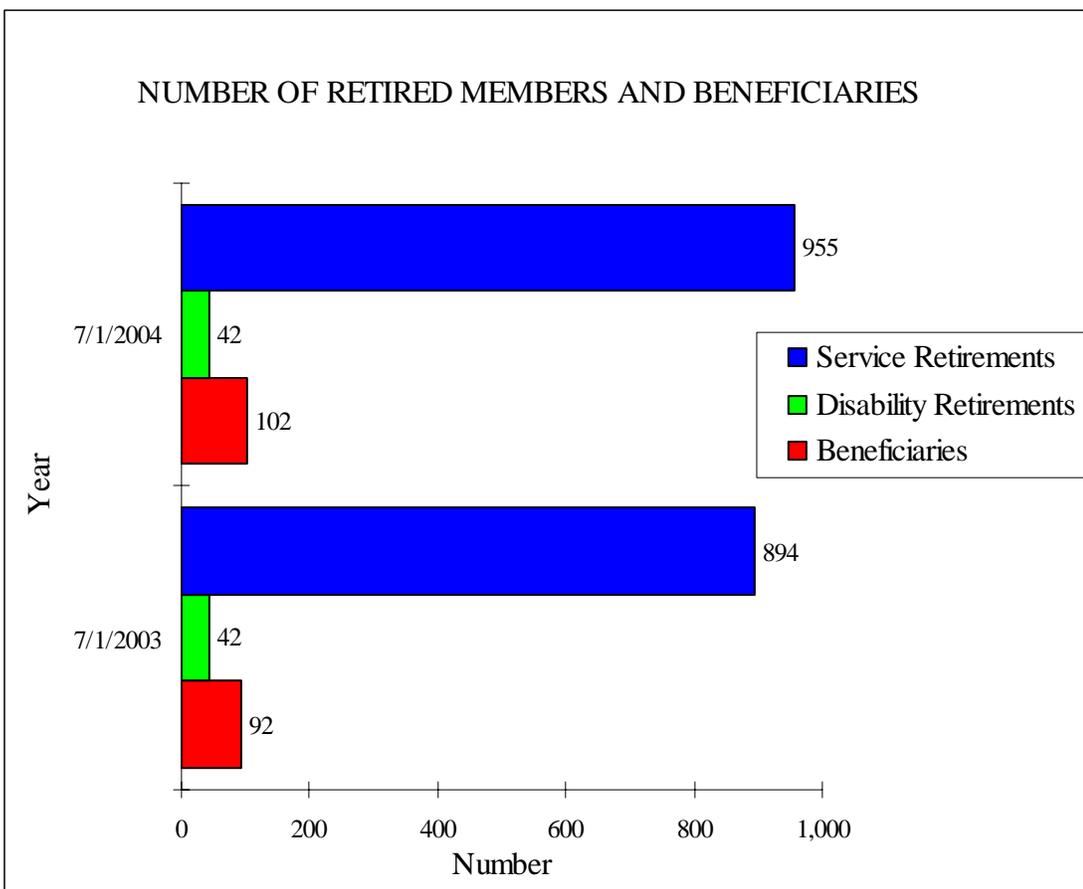
2. Comments on the results of the valuation are given in Section IV and further discussion of the contribution levels is set out in Section V.
3. Schedule B outlines the full set of actuarial assumptions and methods used in the valuation.
4. Schedule C outlines the benefit provisions that were taken into account in the valuation.

SECTION II - MEMBER DATA

1. Member data were furnished by the Retirement Division of the State Treasurer's Office.
2. Schedule D presents tables that summarize member data. Tables 1 through 5 summarize active member data by age and service. Tables 6 through 10 summarize service pensioners, disability pensioners and beneficiaries by age.
3. The following tables show a summary of membership data for retirees and beneficiaries:

THE NUMBER AND ANNUAL ALLOWANCES OF RETIRED MEMBERS  
AND BENEFICIARIES AS OF JULY 1, 2004

GROUP	NUMBER	ANNUAL ALLOWANCES
Service Retirements	955	\$5,096,190
Disability Retirements	42	\$166,392
Beneficiaries of Deceased Members	102	\$330,291
GRAND TOTAL	1,099	\$5,592,873



SECTION III - ASSETS

1. The amount of assets taken into account in the valuation is based on information supplied by the State Treasurer's Office.
2. For actuarial purposes, the assets are valued using a method that reflects the market value of assets through recognition of any difference in return on assets from its expected level in equal installments over 5 years, provided the adjusted asset value is within 20% of the market value.
3. In connection with its decision to adopt new actuarial assumptions effective with this valuation (see Section IV), the Board of the System also chose to restart the asset valuation method effective July 1, 2004.
4. For purposes of the July 1, 2004, actuarial valuation, therefore, the actuarial value of assets is equal to the market value of the System's assets on that date, or \$232,889,559.
5. The deferred recognition of differences in returns from their expected level will be phased in again beginning with the next valuation.

5. The following table presents an allocation of total valuation assets to Groups A, B, C and D:

Item	Group A	Group B	Group C	Group D	Total
Valuation assets, July 1, 2003	\$ 69,933,149	\$ 120,181,345	\$ 32,661,364	\$ 78,227	\$ 222,854,085
Contributions	3,437,764	6,982,917	4,032,315	1,294,379	15,747,375
Income*	3,338,157	5,768,860	1,622,057	34,190	10,763,264
Benefit payments	(2,292,046)	(3,658,711)	(843,193)	(10,373)	(6,804,323)
Expenses	(206,887)	(355,540)	(96,624)	(231)	(659,282)
Transfers	(209,819)	(360,577)	(97,993)	(235)	(668,624)
Valuation assets, July 1, 2004, before restart of asset method	\$ 74,000,318	\$ 128,558,294	\$ 37,277,926	\$ 1,395,957	\$ 241,232,495
Valuation assets, July 1, 2004, after restart of asset method	\$ 71,441,045	\$ 124,112,153	\$ 35,988,683	\$ 1,347,678	\$ 232,889,559

\*includes adjustment in valuation assets amount but excludes effect of restart of asset method.

SECTION IV - COMMENTS ON VALUATION

1. Schedule A of the report contains a valuation balance sheet, which shows total present and prospective assets and liabilities as of July 1, 2004.
2. The value of the assets of the system on July 1, 2004, was \$232,889,559.
3. The total present value of prospective allowances to be paid to current retired members, beneficiaries and terminated vested members amounts to \$60,702,930. The present value of prospective benefits to be paid to current active and inactive members as of July 1, 2004, amounts to \$238,677,377, bringing total liabilities for future benefits to \$299,380,307. After subtracting assets of \$232,889,559, the amount to be provided through prospective contributions is \$66,490,748. Prospective member contributions have a value of \$42,942,636, which leaves \$23,548,112 to be met by employers.
4. The employers' contributions consist of a normal contribution and an accrued liability contribution. Future normal contributions represent the contributions needed to provide benefits for the average new member; the rates upon which these are based are recalculated upon a change in benefit provisions or the actuarial assumptions used in the valuation. The accrued liability contribution represents the balance of contributions necessary to fund the system.
5. The value of future employer normal contributions as of July 1, 2004, is \$31,346,445. Subtracting this from the total amount to be paid by employers leaves \$7,799,333 as the actuarial surplus.
6. The actuarial assumptions used in this valuation have been changed, by action of the Board, on the basis of a five-year experience study of the System prepared in 2004. Details of the changes in assumptions that were made may be found in Schedule B of this report. The changes in assumptions raised the actuarial surplus by \$13,423,518, while the decision to restart the asset valuation method lowered it by \$8,342,936.

SECTION V - CONTRIBUTIONS PAYABLE UNDER THE SYSTEM

1. Employer contributions consist of a normal contribution and an accrued liability contribution. The normal contribution is the expected cost of benefits earned during the year following the valuation date. Effective with this valuation, employer normal cost rates have been reset to reflect the changes in actuarial assumptions adopted by the Board as a result of the most recent study completed of the System's experience; these changes are summarized in Schedule B of this report. The accrued liability contribution represents a credit that reflects the amortization of the assets in excess of the accrued liability through June 30, 2018.

Item	Group				
	A	B	C	D	Total
1. Normal contributions					
Employee	2.50%	4.50%	9.00%	11.00%	4.38%
Employer	<u>2.00%</u>	<u>3.38%</u>	<u>5.58%</u>	<u>7.23%</u>	<u>3.18%</u>
Total	4.50%	7.88%	14.58%	18.23%	7.56%
2. Amortization credit through 6/30/2018	0.83%	0.01%	1.25%	0.87%	0.48%
3. Net employer contribution rates, July 1, 2004					
Amortization through 6/30/2018	1.17%	3.37%	4.33%	6.36%	2.70%
Current funding policy rates	4.00%	5.00%	6.00%	9.00%	4.81%
4. Net employer contribution rates, July 1, 2003					
Amortization through 6/30/2018	3.01%	5.34%	3.90%	5.51%	4.27%
Funding policy rates	4.00%	5.00%	6.00%	9.00%	4.71%

2. The current funding policy rates payable by the employers and the calculated rates reflecting amortization of the assets in excess of accrued liability are shown below:

<u>Group</u>	<u>Funding Policy Rate</u>	<u>Rate With Full Amortization</u>
A	4.00%	1.17%
B	5.00%	3.37%
C	6.00%	4.33%
D	9.00%	6.36%

We recommend that the Board set future contribution rates within the ranges shown above. Since the funding policy rate exceeds the calculated employer normal rate (shown in item 1 in the table above) for each group, continuation of these rates would maintain current surplus assets indefinitely, assuming no future experience gains or losses. Payment of the rates with full amortization of surplus would result in a gradual reduction of surplus through 2018, at which point the full normal cost rate would be payable.

The difference between the current funding policy rates and the employer normal cost rates is 1.63% of payroll in the aggregate. Annualized payroll in fiscal year 2004 for active participants amounted to \$125,932,014, and application of the salary scale to this figure produces a projected fiscal year 2005 compensation for active participants of \$132,984,207. The product of 1.63% and this figure, \$2,167,643, exceeds by an ample margin the non-investment expenses incurred by the System in fiscal year 2004.

SECTION VI - EXPERIENCE

Records are maintained whereby the actual experience of the System may be compared with the expected experience based on the tables adopted by the Board of Trustees. This experience is reviewed in periodic experience studies, and any change in assumptions suggested by the cumulative experience of the System will be brought to the Board's attention in reports on the results of these studies.

SECTION VII - ACCOUNTING INFORMATION

1. Based on our interpretation of Statement No. 25 of the Governmental Accounting Standards Board, we are providing the following Schedule of Funding Progress for accounting purposes:

SCHEDULE OF FUNDING PROGRESS

(dollar amounts in thousands)

<b>Year Ended June 30</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b-a)/c)</b>
2004	\$232,890	\$225,092	(7,798)	103.5%	\$135,351	-5.8%
2003	222,854	218,533	(4,321)	102.0%	126,216	-3.4%
2002	193,278	176,109	(17,169)	109.7%	106,986	-16.0%
2001	177,928	158,786	(19,142)	112.1%	101,873	-18.8%
2000	161,900	138,697	(23,203)	116.7%	87,147	-26.6%
1999	137,454	114,481	(22,973)	124.6%	70,808	-32.4%
1998	113,678	102,005	(11,673)	111.4%	87,328	-17.3%
1997	96,196	85,686	(10,510)	112.3%	70,800	-14.8%
1996	81,396	73,401	(7,995)	110.9%	68,700	-11.6%
1995	70,082	67,039	(3,043)	104.5%	79,056	-4.9%

2. GASB Statement No. 27 requires the development of Annual Pension Cost and Net Pension Obligation (NPO). This development is shown in the following table.

DEVELOPMENT OF PENSION COST AND NET PENSION OBLIGATION (NPO)

<b>Year Ended June 30</b>	<b>Annual Required Contribution</b>	<b>Interest on NPO</b>	<b>Amortization of NPO</b>	<b>Pension Cost (1)+(2)-(3)</b>	<b>Actual Contribution</b>	<b>Change in NPO (4)-(5)</b>	<b>NPO Balance</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>	<b>(6)</b>	<b>(7)</b>	
1991	\$2,217,796	- \$ 0 -	- \$ 0 -	\$ 2,217,796	\$ 2,217,796	- \$ 0 -	- \$ 0 -
1992	2,496,559	- 0 -	- 0 -	2,496,559	2,496,559	- 0 -	- 0 -
1993	2,692,159	- 0 -	- 0 -	2,692,159	2,692,159	- 0 -	- 0 -
1994	3,003,674	- 0 -	- 0 -	3,003,674	3,003,674	- 0 -	- 0 -
1995	3,045,585	- 0 -	- 0 -	3,045,585	3,045,585	- 0 -	- 0 -
1996	3,365,821	- 0 -	- 0 -	3,365,821	3,365,821	- 0 -	- 0 -
1997	3,541,693	- 0 -	- 0 -	3,541,693	3,541,693	- 0 -	- 0 -
1998	3,665,833	- 0 -	- 0 -	3,665,833	3,665,833	- 0 -	- 0 -
1999	4,233,559	- 0 -	- 0 -	4,233,559	4,233,559	- 0 -	- 0 -
2000	4,788,671	- 0 -	- 0 -	4,788,671	4,788,671	- 0 -	- 0 -
2001	4,571,993	- 0 -	- 0 -	4,571,993	4,571,993	- 0 -	- 0 -
2002	4,984,484	- 0 -	- 0 -	4,984,484	4,984,484	- 0 -	- 0 -
2003	5,854,111	- 0 -	- 0 -	5,854,111	5,854,111	- 0 -	- 0 -
2004	6,616,630	- 0 -	- 0 -	6,616,630	6,616,630	- 0 -	- 0 -

SCHEDULE A

VALUATION BALANCE SHEET  
SHOWING THE ASSETS AND LIABILITIES OF THE  
VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM  
PREPARED AS OF JULY 1, 2004

VALUATION BALANCE SHEET  
 SHOWING THE ASSETS AND ACCRUED LIABILITIES OF THE  
 VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM  
 PREPARED AS OF JULY 1, 2004

ASSETS

Assets of the system		\$ 232,889,559
Present value of prospective contributions		
Members	\$42,942,636	
State		
Accrued liability contributions	(7,798,333)	
Normal contributions	<u>31,346,445</u>	
Total prospective contributions		<u>\$66,490,748</u>
Total assets		<u>\$299,380,307</u>

LIABILITIES

Actuarial present value of benefits payable on account of present retired members, terminated vested members and beneficiaries		\$ 60,702,930
Actuarial present value of benefits expected to become payable on account of active and inactive members		<u>238,677,377</u>
Total liabilities		<u>\$299,380,307</u>

SCHEDULE B

OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS

**OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS**

INTEREST RATE: 8% per annum, compounded annually.

SEPARATIONS FROM SERVICE: Representative values of the assumed annual rates of withdrawal, and disability and death are as follows:

In the previous valuation:

<b>Withdrawal</b>			<b>Disability</b>		
<b>Age</b>	<b>Males %</b>	<b>Females %</b>	<b>Age</b>	<b>Males %</b>	<b>Females %</b>
25	14.86%	22.31%	25	0.04%	0.05%
30	10.33	14.82	30	0.05	0.08
35	7.29	10.25	35	0.07	0.14
40	4.20	7.16	40	0.12	0.21
45	2.52	4.01	45	0.20	0.32
50	0.69	2.22	50	0.36	2.53
55	0.00	0.13	55	0.72	0.95
60	0.00	0.00	60	1.26	1.16

<b>Retirement</b>							
<b>Age</b>	<b>Group A</b>	<b>Group B</b>	<b>Groups C and D</b>	<b>Age</b>	<b>Group A</b>	<b>Group B</b>	<b>Groups C and D</b>
55	2.0%	2.0%	15.0%	63	20.0%	25.0%	75.0%
56	2.0	2.0	10.0	64	20.0	25.0	75.0
57	2.0	2.0	10.0	65	75.0	50.0	100.0
58	2.0	2.0	10.0	66	75.0	75.0	100.0
59	2.0	2.0	10.0	67	75.0	75.0	100.0
60	5.0	5.0	15.0	68	75.0	75.0	100.0
61	5.0	5.0	10.0	69	75.0	75.0	100.0
62	20.0	50.0	50.0	70	100.0	100.0	100.0

In the current valuation:

Withdrawal			Disability		
Age	Males %	Females %	Age	Males %	Females %
25	15.00%	18.00%	25	0.01%	0.01%
30	15.00	16.00	30	0.01	0.02
35	14.00	11.00	35	0.02	0.04
40	8.00	8.00	40	0.03	0.05
45	8.00	8.00	45	0.05	0.08
50	6.50	6.50	50	0.09	0.15
55	5.00	5.00	55	0.18	0.24
60	3.50	3.50	60	0.32	0.29

Retirement							
Age	Group A	Group B	Groups C and D	Age	Group A	Group B	Groups C and D
55	2.0%	2.0%	15.0%	63	20.0%	25.0%	25.0%
56	2.0	2.0	10.0	64	20.0	25.0	25.0
57	2.0	2.0	10.0	65	40.0	50.0	100.0
58	2.0	2.0	10.0	66	25.0	25.0	100.0
59	2.0	2.0	10.0	67	25.0	25.0	100.0
60	5.0	5.0	15.0	68	25.0	25.0	100.0
61	5.0	5.0	10.0	69	25.0	25.0	100.0
62	20.0	50.0	25.0	70	100.0	100.0	100.0

**SALARY INCREASES:** 5.6% per year.

**DEATHS:** In the previous valuation, according to the 1983 Group Annuity Mortality Table; in this valuation, according to the 1995 Buck Mortality Tables for Males and Females for healthy lives and according to the RP-2000 Disabled Life Tables for disabled lives.

**FUTURE EXPENSES:** Margins for expenses in recommended contributions for each group are based on actual expenses for the previous year.

**ACTUARIAL COST METHOD:** Projected benefit cost method. The unfunded accrued liability is amortized with payments that are assumed to increase by 5.6% per year.

**SPOUSE'S AGE:** Husbands are assumed to be 3 years older than their wives.

**PERCENT MARRIED:** 85% of male members and 50% of female members are assumed to be married.

**COST-OF-LIVING ADJUSTMENTS TO BENEFITS OF TERMINATED VESTED AND RETIRED PARTICIPANTS:** In the previous valuation, these were assumed to occur at the rate of 2% per annum for Group A members and 2.3% per annum for members of Groups B, C, and D. In the current valuation, they are assumed to occur at the rate of 1.5% per annum for Group A members and 1.8% per annum for members of Groups B, C, and D.

**ASSET VALUATION METHOD:** A smoothing method is used, under which the value assets for actuarial purposes equals market value less a five-year phase-in of the differences between actual and assumed investment return. This method has been restarted with the current valuation.

**INACTIVE MEMBERS:** A liability of 150% of accumulated contributions with interest is maintained for inactive participants.

SCHEDULE C

BRIEF SUMMARY OF PRINCIPAL PLAN PROVISIONS  
AS INTERPRETED FOR VALUATION PURPOSES

SUMMARY OF BENEFIT PROVISIONS  
AS INTERPRETED FOR VALUATION PURPOSES

Effective Date	July 1, 1975
Creditable Service	Service as a member plus purchased service.
Membership	Full time employees of participating municipalities. Municipality elects coverage under Groups A, B or C provisions.
Average Final Compensation (AFC)	<p>Groups A - average annual compensation during highest 5 consecutive years.</p> <p>Groups B and C - average annual compensation during highest 3 consecutive years.</p> <p>Group D - average annual compensation during highest 2 consecutive years.</p>
Service Retirement Allowance	
Eligibility	<p>Group A – The earlier of age 65 with 5 years of service or age 55 with 35 years of service.</p> <p>Group B – The earlier of age 62 with 5 years of service or age 55 with 30 years of service.</p> <p>Groups C and D - Age 55 with 5 years of service.</p>
Amount	<p>Group A - 1.4% of AFC times service.</p> <p>Group B - 1.7% of AFC times service as Group B member plus percentage earned as Group A member times AFC.</p> <p>Group C - 2.5% of AFC times service as a Group C member plus percentage earned as a Group A or B member times AFC.</p> <p>Group D - 2.5% of AFC times service as a Group D member plus percentage earned as a Group A, B or C member times AFC.</p>

Maximum benefit is 60% of AFC for Groups A and B and 50% of AFC for Groups C and D. The above amounts include the portion of the allowance provided by member contributions.

#### Early Retirement Allowance

**Eligibility** Age 55 with 5 years of service for Groups A and B; age 50 with 20 years of service for Group D.

**Amount** Normal allowance based on service and AFC at early retirement, reduced by 6% for each year commencement precedes Normal Retirement Age for Group A and B members, and payable without reduction to Group D members

#### Vested Retirement Allowance

**Eligibility** 5 years of service.

**Amount** Allowance beginning at normal retirement age based on AFC and service at termination. The AFC is to be adjusted annually by one-half of the percentage change in the Consumer Price Index, subject to the limits on "Post-Retirement Adjustments" described below.

#### Disability Retirement Allowance

**Eligibility** 5 years of service and disability as determined by Retirement Board.

**Amount** Immediate allowance based on AFC and service to date of disability; children's benefit of 10% of AFC payable to up to three minor children (or children up to age 23 if enrolled in full-time studies) of a disabled Group D member.

#### Death Benefit

**Eligibility** Death after 5 years of service.

**Amount** For Groups A, B and C, reduced early retirement allowance under 100% survivor option commencing immediately or, if greater, survivor's benefit under disability annuity computed as of date of death. For Group D, 70% of the unreduced accrued benefit plus children's benefit.

Optional Benefit and Death after Retirement

For Groups A, B and C, lifetime allowance or actuarially equivalent 50% or 100% joint and survivor allowance with refund of contribution guarantee. For Group D, lifetime allowance or 70% contingent annuitant option with no reduction.

Refund of Contribution

Upon termination, if the member so elects or if no other benefit is payable, the member's accumulated contributions are refunded.

Post-Retirement Adjustments

Allowances in payment for at least one year increased on each January 1 by one-half of the percentage increase in consumer price index but not more than 2% for Group A and 3% for Groups B, C and D.

Member Contributions

Group A – 2.5% (reduced from 3.0% effective July 1, 2000).

Group B - 4.5% (reduced from 5.0% effective July 1, 2000).

Group C – 9.0% (reduced from 11.0% effective July 1, 2000).

Group D - 11.0%

SCHEDULE D

SUMMARY TABLES OF MEMBER DATA AS OF JULY 1, 2004

TABLE 1  
THE NUMBER AND ANNUAL COMPENSATION OF  
ACTIVE MEMBERS DISTRIBUTED BY AGE AND SERVICE  
AS OF JULY 1, 2004

AGE	<i>0 to 4</i>		<i>5 to 9</i>		<i>10 to 14</i>		<i>15 to 19</i>		<i>20 to 24</i>		<i>25 to 29</i>		<i>30 to 34</i>		<i>35 to 39</i>		<i>40 &amp; up</i>		<i>Total</i>	
	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary
Under 20	5	53,263	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5	53,263
20 to 24	194	2,759,772	1	11,009	0	0	0	0	0	0	0	0	0	0	0	0	0	0	195	2,770,781
25 to 29	270	4,706,188	26	682,898	0	0	0	0	0	0	0	0	0	0	0	0	0	0	296	5,389,086
30 to 34	328	6,086,332	67	2,127,644	17	546,664	3	97,178	0	0	0	0	0	0	0	0	0	0	415	8,857,818
35 to 39	406	7,097,274	128	3,289,443	53	1,865,295	30	1,059,542	1	66,787	0	0	0	0	0	0	0	0	618	13,378,340
40 to 44	516	9,115,449	199	4,372,284	88	2,417,528	55	1,922,793	20	713,213	3	116,092	0	0	0	0	0	0	881	18,657,359
45 to 49	522	9,674,936	224	5,058,751	132	3,468,843	84	2,650,288	33	1,293,034	34	1,292,424	2	89,298	0	0	0	0	1,031	23,527,574
50 to 54	366	7,271,610	212	5,067,686	136	3,476,020	105	3,099,398	33	1,190,018	32	1,332,540	14	626,666	0	0	0	0	898	22,063,937
55 to 59	273	5,116,487	135	3,074,948	142	3,549,517	132	3,520,407	34	1,238,033	23	789,558	17	792,024	5	221,655	0	0	761	18,302,629
60 to 64	127	2,357,165	72	1,638,385	62	1,573,678	70	2,019,910	30	931,407	21	766,950	14	506,802	4	133,245	1	41,727	401	9,969,270
65 to 69	24	354,897	20	447,730	22	570,964	17	458,609	6	181,111	7	225,574	3	113,881	0	0	0	0	99	2,352,766
70 & up	12	166,709	5	103,896	7	128,673	3	70,715	1	16,254	0	0	3	62,719	2	60,224	0	0	33	609,192
TOTAL	3,043	54,760,082	1,089	25,874,675	659	17,597,181	499	14,898,839	158	5,629,858	120	4,523,137	53	2,191,391	11	415,124	1	41,727	5,633	125,932,014

TABLE 2  
THE NUMBER AND ANNUAL COMPENSATION OF  
ACTIVE MEMBERS DISTRIBUTED BY AGE AND SERVICE  
AS OF JULY 1, 2004

GROUP A

AGE	<i>0 to 4</i>		<i>5 to 9</i>		<i>10 to 14</i>		<i>15 to 19</i>		<i>20 to 24</i>		<i>25 to 29</i>		<i>30 to 34</i>		<i>35 to 39</i>		<i>40 &amp; up</i>		<i>Total</i>	
	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary
Under 20	3	29,455	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	29,455
20 to 24	101	1,205,949	1	11,009	0	0	0	0	0	0	0	0	0	0	0	0	0	0	102	1,216,958
25 to 29	141	1,902,084	13	299,675	0	0	0	0	0	0	0	0	0	0	0	0	0	0	154	2,201,759
30 to 34	142	2,140,419	18	493,542	8	214,796	1	26,767	0	0	0	0	0	0	0	0	0	0	169	2,875,525
35 to 39	186	2,687,735	45	990,122	15	361,402	11	339,467	0	0	0	0	0	0	0	0	0	0	257	4,378,726
40 to 44	256	3,848,685	89	1,642,389	43	979,716	19	492,447	7	240,427	0	0	0	0	0	0	0	0	414	7,203,664
45 to 49	255	4,130,791	98	2,014,955	64	1,343,430	34	872,248	12	434,200	7	227,511	2	89,298	0	0	0	0	472	9,112,434
50 to 54	179	3,011,273	91	1,834,153	62	1,282,383	48	1,215,432	11	321,767	6	226,327	3	130,809	0	0	0	0	400	8,022,143
55 to 59	155	2,726,641	60	1,123,533	69	1,471,086	71	1,543,526	12	343,232	9	279,781	1	53,501	2	84,988	0	0	379	7,626,289
60 to 64	59	913,502	29	647,514	30	648,924	31	746,596	12	308,884	3	91,545	3	109,447	3	92,923	0	0	170	3,559,335
65 to 69	17	236,090	8	152,446	5	118,959	13	303,612	2	42,391	4	86,413	1	25,200	0	0	0	0	50	965,111
70 & up	7	98,521	3	48,321	6	97,554	1	17,643	1	16,254	0	0	2	45,688	1	27,313	0	0	21	351,294
TOTAL	1,501	22,931,146	455	9,257,659	302	6,518,251	229	5,557,737	57	1,707,156	29	911,577	12	453,942	6	205,225	0	0	2,591	47,542,693

TABLE 3  
THE NUMBER AND ANNUAL COMPENSATION OF  
ACTIVE MEMBERS DISTRIBUTED BY AGE AND SERVICE  
AS OF JULY 1, 2004

GROUP B

AGE	<i>0 to 4</i>		<i>5 to 9</i>		<i>10 to 14</i>		<i>15 to 19</i>		<i>20 to 24</i>		<i>25 to 29</i>		<i>30 to 34</i>		<i>35 to 39</i>		<i>40 &amp; up</i>		<i>Total</i>	
	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary
Under 20	2	23,808	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	23,808
20 to 24	78	1,140,372	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	78	1,140,372
25 to 29	96	1,848,072	10	276,203	0	0	0	0	0	0	0	0	0	0	0	0	0	0	106	2,124,275
30 to 34	151	2,935,681	42	1,359,365	7	249,281	2	70,411	0	0	0	0	0	0	0	0	0	0	202	4,614,737
35 to 39	187	3,438,405	74	2,001,174	32	1,189,885	16	591,726	1	66,787	0	0	0	0	0	0	0	0	310	7,287,977
40 to 44	220	4,010,113	102	2,412,102	38	1,167,999	25	955,284	12	440,596	3	116,092	0	0	0	0	0	0	400	9,102,185
45 to 49	228	4,312,310	113	2,522,837	55	1,600,444	38	1,281,516	14	584,224	18	651,086	0	0	0	0	0	0	466	10,952,418
50 to 54	166	3,478,965	113	2,948,872	67	1,890,158	44	1,373,565	19	718,804	17	731,129	10	452,452	0	0	0	0	436	11,593,946
55 to 59	103	1,949,348	67	1,658,059	63	1,704,330	49	1,507,240	18	731,608	10	332,662	10	489,699	3	136,667	0	0	323	8,509,612
60 to 64	63	1,316,143	41	936,961	26	735,724	29	869,756	15	497,073	15	539,660	7	247,773	0	0	1	41,727	197	5,184,818
65 to 69	6	94,712	11	247,173	15	371,546	4	154,997	4	138,721	2	57,243	2	88,681	0	0	0	0	44	1,153,072
70 & up	5	68,188	2	55,576	1	31,119	2	53,072	0	0	0	0	1	17,032	1	32,911	0	0	12	257,897
<b>TOTAL</b>	<b>1,305</b>	<b>24,616,117</b>	<b>575</b>	<b>14,418,321</b>	<b>304</b>	<b>8,940,486</b>	<b>209</b>	<b>6,857,566</b>	<b>83</b>	<b>3,177,812</b>	<b>65</b>	<b>2,427,872</b>	<b>30</b>	<b>1,295,637</b>	<b>4</b>	<b>169,578</b>	<b>1</b>	<b>41,727</b>	<b>2,576</b>	<b>61,945,118</b>

TABLE 4  
 THE NUMBER AND ANNUAL COMPENSATION OF  
 ACTIVE MEMBERS DISTRIBUTED BY AGE AND SERVICE  
 AS OF JULY 1, 2004

GROUP C

AGE	<i>0 to 4</i>		<i>5 to 9</i>		<i>10 to 14</i>		<i>15 to 19</i>		<i>20 to 24</i>		<i>25 to 29</i>		<i>30 to 34</i>		<i>35 to 39</i>		<i>40 &amp; up</i>		<i>Total</i>		
	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 to 24	11	312,145	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	11	312,145	
25 to 29	25	710,969	2	78,482	0	0	0	0	0	0	0	0	0	0	0	0	0	0	27	789,451	
30 to 34	26	774,251	6	244,122	1	43,986	0	0	0	0	0	0	0	0	0	0	0	0	33	1,062,358	
35 to 39	27	814,128	9	298,148	6	314,008	3	128,348	0	0	0	0	0	0	0	0	0	0	45	1,554,632	
40 to 44	33	1,041,851	8	317,793	5	206,017	10	430,708	1	32,190	0	0	0	0	0	0	0	0	57	2,028,559	
45 to 49	34	1,026,864	10	413,165	12	491,190	10	419,225	7	274,609	9	413,827	0	0	0	0	0	0	82	3,038,879	
50 to 54	19	730,357	8	284,660	6	276,084	12	472,115	3	149,447	9	375,083	1	43,405	0	0	0	0	58	2,331,151	
55 to 59	13	379,420	8	293,356	9	340,837	12	469,640	4	163,193	4	177,115	6	248,824	0	0	0	0	56	2,072,385	
60 to 64	5	127,520	2	53,910	6	189,030	10	403,558	3	125,450	3	135,745	4	149,583	1	40,322	0	0	34	1,225,117	
65 to 69	1	24,095	1	48,111	2	80,458	0	0	0	0	1	81,919	0	0	0	0	0	0	5	234,583	
70 & up	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL	194	5,941,600	54	2,031,746	47	1,941,609	57	2,323,595	18	744,890	26	1,183,688	11	441,811	1	40,322	0	0	408	14,649,260	

TABLE 5  
 THE NUMBER AND ANNUAL COMPENSATION OF  
 ACTIVE MEMBERS DISTRIBUTED BY AGE AND SERVICE  
 AS OF JULY 1, 2004

GROUP D

AGE	<i>0 to 4</i>		<i>5 to 9</i>		<i>10 to 14</i>		<i>15 to 19</i>		<i>20 to 24</i>		<i>25 to 29</i>		<i>30 to 34</i>		<i>35 to 39</i>		<i>40 &amp; up</i>		<i>Total</i>	
	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 to 24	4	101,307	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4	101,307
25 to 29	8	245,063	1	28,539	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9	273,601
30 to 34	9	235,982	1	30,615	1	38,601	0	0	0	0	0	0	0	0	0	0	0	0	11	305,198
35 to 39	6	157,005	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6	157,005
40 to 44	7	214,801	0	0	2	63,795	1	44,354	0	0	0	0	0	0	0	0	0	0	10	322,950
45 to 49	5	204,970	3	107,795	1	33,779	2	77,299	0	0	0	0	0	0	0	0	0	0	11	423,842
50 to 54	2	51,015	0	0	1	27,395	1	38,287	0	0	0	0	0	0	0	0	0	0	4	116,697
55 to 59	2	61,077	0	0	1	33,265	0	0	0	0	0	0	0	0	0	0	0	0	3	94,342
60 to 64	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
65 to 69	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
70 & up	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	43	1,271,219	5	166,949	6	196,835	4	159,940	0	0	0	0	0	0	0	0	0	0	58	1,794,943

TABLE 6  
SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA  
BY ATTAINED AGE AS OF JULY 1, 2004

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
30 and Under	-	\$ -	-	\$ -	2	\$ 3,085
38	-	-	-	-	1	5,221
39	-	-	1	1,648	-	-
43	-	-	-	-	1	2,675
44	-	-	1	9,130	-	-
46	-	-	-	-	1	922
47	-	-	-	-	1	12,523
48	-	-	1	3,800	-	-
49	-	-	-	-	1	4,488
50	-	-	1	6,029	1	2,633
51	-	-	2	13,587	3	11,701
53	-	-	-	-	2	5,210
54	-	-	2	8,759	-	-
55	2	50,287	1	2,690	1	1,494
56	8	65,017	-	-	1	4,957
57	10	82,674	-	-	1	2,571
58	5	32,108	2	5,439	3	11,452
59	12	81,494	3	8,444	6	27,370
60	11	84,910	2	8,691	1	7,890
61	17	117,497	1	5,463	2	2,324
62	25	184,404	3	13,133	-	-
63	37	303,027	2	6,111	3	4,416
64	30	203,110	1	5,306	2	6,450
65	38	271,773	4	15,885	2	6,076
66	58	284,105	2	5,939	4	11,388
67	54	324,891	1	7,589	4	17,231
68	48	277,709	3	7,874	2	9,046
69	64	360,699	1	5,017	2	9,060
70	46	273,792	-	-	2	11,214
71	39	205,467	1	1,827	6	37,314
72	43	228,477	-	-	2	6,002
73	51	236,264	1	3,323	4	12,297
74	50	230,327	2	6,044	6	22,182
75	51	216,859	2	7,950	3	7,417
76	40	215,076	-	-	1	904
77	23	90,781	-	-	8	18,786
78	24	100,190	-	-	1	2,997
79	31	155,017	-	-	2	3,104
80	25	107,974	-	-	3	5,114
81	15	49,293	-	-	2	4,690
82	13	28,895	-	-	2	6,392
83	11	37,053	-	-	2	3,154
84	12	42,451	1	1,426	3	8,993

TABLE 6, continued

SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA  
BY ATTAINED AGE AS OF JULY 1, 2004

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
85	19	52,407	-	-	-	-
86	9	32,941	-	-	2	2,675
87	7	13,682	-	-	-	-
88	4	9,470	-	-	-	4,335
89	7	15,132	1	5,288	5,288	-
90	3	4,286	-	-	-	1,847
91	6	9,517	-	-	-	-
92	3	11,655	-	-	-	-
93	1	964	-	-	-	691
94	1	1,560	-	-	-	-
98	1	645	-	-	-	-
101	1	2,310	-	-	-	-
Total	955	5,096,190	42	166,392	102	330,291

TABLE 7  
SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA  
BY ATTAINED AGE AS OF JULY 1, 2004

GROUP A

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
30 and Under	-	\$ -	-	\$ -	1	\$ 1,493
39	-	-	1	1,648	-	-
43	-	-	-	-	1	2,675
44	-	-	1	9,130	-	-
50	-	-	-	-	1	2,633
51	-	-	1	7,784	1	1,091
53	-	-	-	-	1	3,069
54	-	-	2	8,759	-	-
55	-	-	1	2,690	-	-
56	1	992	-	-	-	-
57	-	-	-	-	1	2,571
58	-	-	2	5,439	2	8,276
59	6	14,858	3	8,444	3	12,806
60	5	17,040	1	4,647	-	-
61	4	12,596	-	-	1	1,452
62	8	22,508	1	6,252	-	-
63	6	53,595	1	4,221	2	2,651
64	7	41,666	-	-	2	6,450
65	12	62,207	1	2,510	1	2,815
66	21	54,351	1	2,768	2	2,563
67	20	76,567	1	7,589	2	4,805
68	14	39,922	2	5,581	-	-
69	30	111,860	1	5,017	1	1,986
70	14	51,048	-	-	1	3,175
71	15	57,402	1	1,827	3	5,091
72	17	59,679	-	-	1	3,068
73	25	82,840	1	3,323	2	2,991
74	23	49,175	2	6,044	2	7,280
75	20	65,209	2	7,950	3	7,417
76	24	129,517	-	-	1	904
77	10	31,466	-	-	8	18,786
78	15	54,266	-	-	1	2,997
79	19	93,666	-	-	2	3,104
80	18	74,231	-	-	3	5,114
81	14	46,082	-	-	2	4,690
82	12	27,748	-	-	1	1,312
83	10	33,909	-	-	2	3,154
84	12	42,451	1	1,426	3	8,993
85	19	52,407	-	-	-	-
86	8	30,775	-	-	1	1,436
87	6	11,155	-	-	-	-
88	4	9,470	-	-	3	4,335
89	6	13,626	1	5,288	-	-

TABLE 7, continued

SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA  
BY ATTAINED AGE AS OF JULY 1, 2004

GROUP A

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
90	3	4,286	-	-	2	1,847
91	6	9,517	-	-	-	-
92	2	2,661	-	-	-	-
93	1	964	-	-	1	691
94	1	1,560	-	-	-	-
98	1	645	-	-	-	-
101	1	2,310	-	-	-	-
Total	440	1,546,227	28	108,337	64	143,721

TABLE 8  
SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA  
BY ATTAINED AGE AS OF JULY 1, 2004

GROUP B

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
30 and Under	-	\$ -	-	\$ -	1	\$ 1,592
38	-	-	-	-	1	5,221
46	-	-	-	-	1	922
48	-	-	1	3,800	-	-
49	-	-	-	-	1	4,488
50	-	-	1	6,029	-	-
51	-	-	1	5,803	1	5,671
53	-	-	-	-	1	2,141
55	1	22,181	-	-	1	1,494
56	3	26,228	-	-	-	-
57	6	59,739	-	-	-	-
58	4	30,048	-	-	1	3,176
59	1	1,252	-	-	3	14,564
60	4	49,769	1	4,044	1	7,890
61	7	56,539	1	5,463	1	872
62	14	141,635	2	6,881	-	-
63	25	199,162	1	1,890	1	1,765
64	20	133,797	1	5,306	-	-
65	20	161,879	3	13,375	-	-
66	34	212,068	1	3,171	2	8,825
67	28	206,475	-	-	2	12,426
68	30	211,328	1	2,293	1	5,858
69	26	134,816	-	-	1	7,074
70	28	174,727	-	-	1	8,039
71	21	117,598	-	-	3	32,223
72	25	163,551	-	-	1	2,934
73	26	153,424	-	-	2	9,306
74	25	174,101	-	-	3	10,621
75	28	136,449	-	-	-	-
76	16	85,559	-	-	-	-
77	12	49,582	-	-	-	-
78	9	45,924	-	-	-	-
79	12	61,351	-	-	-	-
80	7	33,743	-	-	-	-
81	1	3,211	-	-	-	-
82	1	1,147	-	-	1	5,080
83	1	3,144	-	-	-	-
86	1	2,166	-	-	1	1,239
87	1	2,527	-	-	-	-
89	1	1,506	-	-	-	-
92	1	8,994	-	-	-	-
Total	439	2,865,620	14	58,055	32	153,421

TABLE 9  
SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA  
BY ATTAINED AGE AS OF JULY 1, 2004

GROUP C

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
30 and Under	-	\$ -	-	\$ -	-	\$ -
51	-	-	-	-	1	4,939
55	1	28,106	-	-	-	-
56	4	37,797	-	-	1	4,957
57	4	22,935	-	-	-	-
58	1	2,060	-	-	-	-
59	5	65,384	-	-	-	-
60	2	18,101	-	-	-	-
61	6	48,362	-	-	-	-
62	3	20,261	-	-	-	-
63	6	50,270	-	-	-	-
64	3	27,647	-	-	-	-
65	6	47,687	-	-	1	3,261
66	3	17,686	-	-	-	-
67	6	41,849	-	-	-	-
68	4	26,459	-	-	1	3,188
69	8	114,023	-	-	-	-
70	4	48,017	-	-	-	-
71	3	30,467	-	-	-	-
72	1	5,247	-	-	-	-
74	2	7,051	-	-	1	4,281
75	3	15,201	-	-	-	-
77	1	9,733	-	-	-	-
Total	76	684,343	-	-	6	33,149

TABLE 10

SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA  
BY YEAR OF RETIREMENT

Year of Retirement	Number	Annual Allowance	Average Allowance
1975	-	\$ -	-
1977	3	3,306	1,102
1978	4	5,222	1,306
1979	2	3,891	1,946
1980	12	29,236	2,436
1981	11	18,711	1,701
1982	13	26,214	2,016
1983	9	15,663	1,740
1984	8	21,347	2,668
1985	13	29,292	2,253
1986	16	42,331	2,646
1987	10	25,428	2,543
1988	27	98,777	3,658
1989	26	108,928	4,190
1990	26	119,971	4,614
1991	39	146,732	3,762
1992	34	128,267	3,773
1993	47	215,900	4,594
1994	66	335,417	5,082
1995	74	362,277	4,896
1996	53	240,058	4,529
1997	68	336,002	4,941
1998	68	352,194	5,179
1999	68	389,430	5,727
2000	60	346,514	5,775
2001	65	376,931	5,799
2002	116	702,423	6,055
2003	121	761,925	6,297
2004	39	348,926	8,947
Total	1,099	5,592,873	5,089